Special Board of Directors Meeting

March 26, 2020

Agenda

- Cleaning & Frontline Safety Update
- Ridership Trends & Fare Revenue
- FY21 Budget & District Reserves
- Service Updates and Capital Project Prioritization
- Communication Efforts
  - Internal (All Employees and Labor Partners)
  - External (Passengers and Stakeholders)
- Emergency Funding & Advocacy Update

Cleaning & Frontline Safety Update

Rail Car and Station Cleaning Update

- **Rail Car Cleaning:**
  - Wiping down surfaces – End Of Line
  - Fogging (sanitizing) trains – supply for 25 weeks
  - Cost - $351k (February 25 – March 23)
  - Attendance of Car Cleaners – 75%
- **Station Cleaning:**
  - Wiping down touch surfaces – 8 times/day
  - Cost - $260k/month
  - Attendance of System Service Workers – 90%



Frontline Safety Efforts

➢Creating a Safe Work Environment

- Education on social distancing
- Encouraging good customer service with minimal contact
- Ensuring that employees have disinfectant and hand sanitizer
- Cleaning train cabs daily
- Appropriate personal protective equipment for the job



Ridership Trends & Fare Revenue

Ridership

March ridership to-date down 3.8 million trips

Week 1 – Some large companies requiring/strongly encouraging work from home

Week 2 – Many schools/day cares shutting down

Week 3 – Shelter in place orders (6-county effective 3/17, statewide effective 3/19)

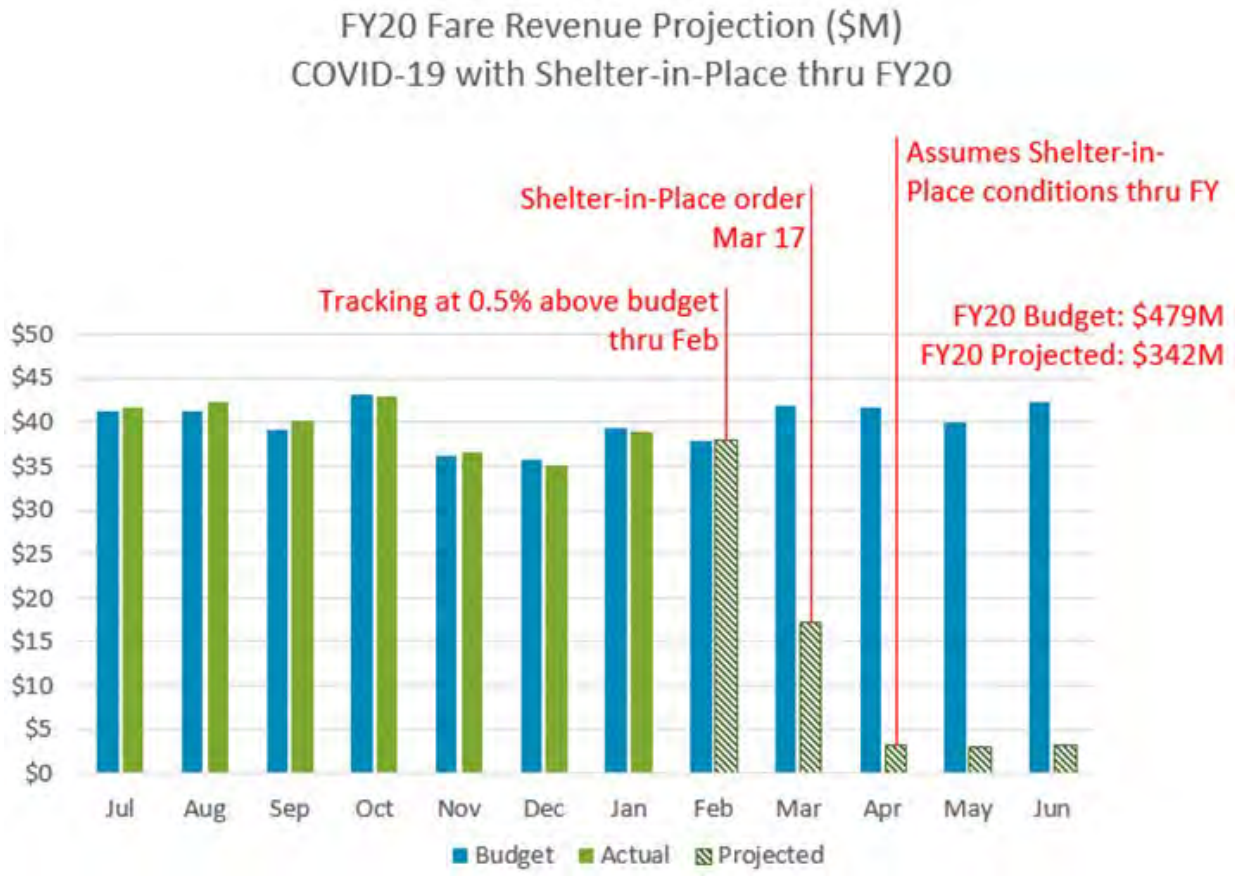
Week 4 – BART reduced service hours, effective 3/23

	Feb Pre-COVID Baseline	Week 1 (3/2)	%	Week 2 (3/9)	%	Week 3 (3/16)	%	Week 4 (3/23)	%
Mon	399,397	379,775	-5%	301,547	-24%	118,494	-70%	34,933	-91%
Tue	415,760	388,262	-7%	292,011	-30%	54,029	-87%	32,117	-92%
Wed	413,275	384,382	-7%	268,192	-35%	48,085	-88%		
Thu	417,531	375,215	-10%	231,820	-44%	45,915	-89%		
Fri	375,170	328,949	-12%	184,605	-51%	42,461	-89%		
Sat	149,954	113,388	-24%	58,187	-61%	18,793	-87%		
Sun	94,762	74,791	-21%	37,004	-61%	12,737	-87%		
Ridership Total	**2,265,849**	**2,044,762**	**-10%**	**1,373,366**	**-39%**	**340,514**	**-85%**	**67,050**	***-92%***
Est Rev Impact		**-$927,000**		**-$3,734,000**		**-$8,072,000**		***-$8,749,000***	

Fare Revenue

If the Shelter-in-Place order continues through end of FY20:

- Fare revenue estimated $140M below budget, down 30% for FY
- Parking revenue additional $10M+ loss
- Prior to COVID-19, fare revenue was tracking +0.5% above budget
- Uncertainty: duration of shelter-in-place orders, severity of measures, effects of new service hours



FY21 Budget & District Reserves

FY21 Operating Budget

$M	PROFORMA	PRELIMINARY	REVISED ESTIMATE	
	January	February	Low	High
Passenger Revenue	515	509	223	312
Parking Revenue	36	36	17	23
Other Operating Revenue	31	32	22	24
Sales Tax Proceeds	284	284	174	233
Other Financial Assistance	140	143	127	126
Federal Stimulus	--	--	TBD	TBD
State Stimulus	--	--	TBD	TBD
TOTAL - OPERATING SOURCES	**1,006**	**1,004**	**562**	**718**
Delta from Preliminary			**(442)**	**(286)**
Labor & Benefits	644	636		
Power	55	56		
Other Non-Labor	172	168		
Bond Debt Service	47	47		
Allocations	117	109		
TOTAL - OPERATING USES	**1,037**	**1,016**		
NET OPERATING RESULT	**(31)**	**(12)**		

FY21 Preliminary Budget

Board rules require Preliminary Budget release by March 31

- **Substantial uncertainty, situation changing daily**

FY21 Preliminary Budget must be completely reworked:

- Too soon to determine depth and length of ridership loss
- Revised service plans based upon lower ridership data under development
- State/federal emergency assistance amounts to be determined

Staff developing contingency budget

- Assuming a range of losses for ridership, fare/parking revenue, sale tax and other sources
- Potential solutions include expense reductions and examination of capital allocations

BART Operating Reserves

BART Funded Reserves	Amount
Operating Reserve – Low Standard Fuel Credits	$18.5M
Reserve for Economic Uncertainty	$25.3M
Operating Reserve	$50.2M

Operating Reserve – Low Standard Fuel Credits (LCFS)

- Previously planned to cover projected FY21 and FY22 budget shortfalls

Reserve for Economic Uncertainty

- Previously planned to cover projected FY21 and FY22 budget shortfalls

Operating Reserve

- Per Financial Stability Policy, goal is to increase to 15% of annual operating expense (~$130M); requires Board President, Controller/Treasurer and General Manager approval to use

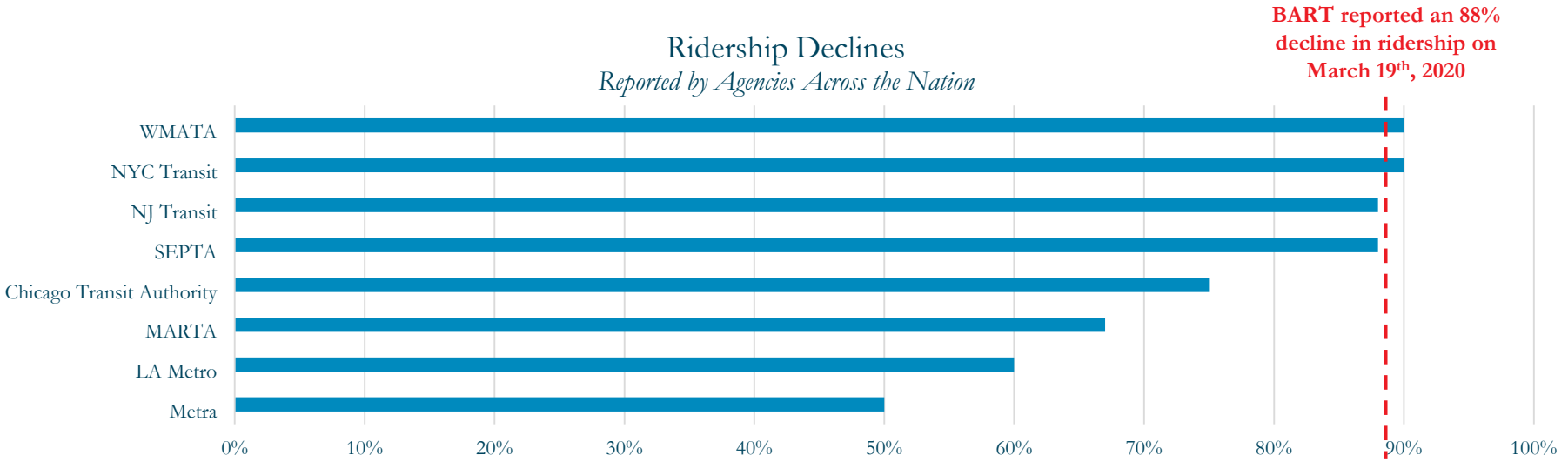
Service Updates

COVID-19 Impact on Public Transit Across the Nation

Decline in ridership	WMATA has experienced an estimated 90%* ridership decline
Service reductions	New York City Transit has implemented a 25% service reduction WMATA is closing 19 stations
Cost cutting measures	SEPTA is taking measures to eliminate overtime, put a freeze on new hires, eliminate marketing efforts, and consider future service reductions

* WMATA press release 3/24/2020 (https://www.wmata.com/service/status/details/COVID-19.cfm)

Public Transit Agencies Take Measures to Combat Rail Ridership Declines



Service changes to local transit agencies

- **AC Transit**: Continues regular service except for supplemental service to schools; not collecting fares to protect drivers
- **CalTrain**: Reduced peak-hour schedule; AM and PM peak hour service will no longer feature Baby Bullet Service
- **SFMTA**: Service reductions; 13 lines cut; many express routes
- **VTA**: Reduced service; not collecting fares to protect drivers

Service changes to national transit agencies

SEPTA moves to winter weather storm schedule to reduce staffing by 15%

- **WMATA**: reduced frequencies; 20min on all lines except Red (15min); 19 station closures
- **NYC Transit**: 25% reduction; no change to peak
- **MARTA**: weekend schedule; 1 station closed
- **SEPTA**: 25% reduction in service; winter weather service schedule
- **LA Metro**: reduced frequency on all rail lines peak and off peak
- **Metra**: alternate schedules

Monitoring Ridership Data

- Mapping Ridership
  - Day of the week
  - Time of day
  - Train
  - Load level at each station
  - Load distributed across cars in train

- Important Data Considerations
  - Appropriate level of service
  - Social distancing
    - Legacy Fleet 26 persons per car
    - FOTF 32 persons per car
  - Load factor on adjacent or meet trains



Service Modification Consideration

- Peak Period Trains
  - Average persons per car 4.7
  - Impact on adjacent trains - bump up to max of 14
  - Decision drop Yellow Line peak trains on March 19
- Early Closing
  - Identify new peak period - 2:00PM to 6:00 PM
    - maximum persons per car on heaviest line 10 to 21
  - Identify ridership drop off - 9:00PM
    - Average persons per car 3.5
    - Decision discontinue service at 9:00 PM on March 23
- Saturday Service
  - Average persons per car 4.6
  - Consideration with matching Sunday
  - Decision to open at 8:00 AM on March 28



Financial Benefit of Recent Service Changes

- Operating to Capital Load shed
- RS&S: 50 FTE - Up to $675K/ month
  - FOTF Training
  - FOTF Modifications
- M&E – 200 FTE Up to $4M/ month
  - Track & Rail Pad Replacement
  - Tunnel Lighting
  - 34.5 KV Cable Replacement Eastbay
  - Waterproofing tunnels M and W lines
  - SVBX support



Possible Future Service Modifications



- Extended Headways
  - Weekday 30 minute except first 5 trains out of Antioch which remain at 15 minute
  - Saturday – 40 minute
  - Sunday – 48 minute
- Route Consolidation
  - Weekdays – eliminate Red and Green lines
    - Supported by Orange line transfer to Yellow and Blue lines for cross bay service
- Close on Sundays

Maximum Operating to Capital Load Shed

- Requires further reduction in service
  - RS&S – achieves maximum with 40% reduction in car hours - increased headways
  - M&E – achieves maximum with 30-minute headway, line consolidation and closed on Sundays
    - Achieve incremental increased load shed with each service modification
- RS&S maximum load shed capacity
  - 300 FTE – approximately 3.8M/month for three months
    - FOTF technical training and modifications
- M&E maximum load shed capacity
  - 450 FTE – approximately $9M/month for six months
    - Capital projects primarily in the right of way

Major Capital Projects

- Benefit from additional access to infrastructure
  - Compensates for impact of social distancing
- Examples of projects recognizing the benefit
  - 19th Street Station Modernization
  - Union City Station Modernization
  - El Cerrito Del Norte Station Modernization
  - Transbay Tube
    - No retrofit – inability to social distance
    - Cathodic Protection
    - Oakland Emergency Generator
    - Cross Passage Doors



Communication Efforts

Internal Communication

➢ Union Leadership – Collaborate as Partners

- Continuous phone discussion check-ins and updates with applicable unions as issues and decision points arise
- All-union conference calls multiple times weekly with Labor/HR to share vital information and meet and confer on issues like remote work, advanced accruals for employees, etc.
- Weekly updates with Operations & AFSME, ATU and SEIU on Fridays

➢ Employee Guidance

- Consistent update of information from Safety & HR posted throughout facilities, at least weekly, and more often as specific guidance requires
- Managers & supervisors continuously communicating with employees and addressing questions and concerns
- Managers getting case-by-case guidance from HR
- Messaging on monitors in shops and at key reporting locations
- Instant Messaging to Station Agents

In Station Communication

- Multi-language good hygiene posters
- Multi-language social distancing posters





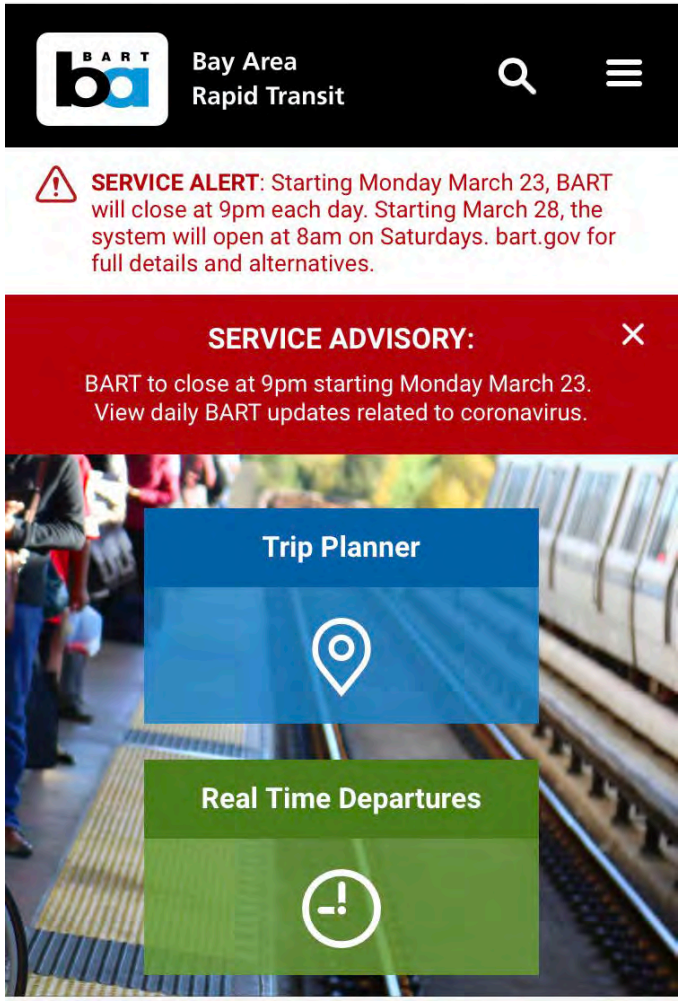
In Station Communication (cont'd)

Train operator announcements, PA announcements, platform digital signs:

"Thank you essential workers. Help prevent the spread of coronavirus. Stay home if you are sick. Maintain social distancing in the station and on board trains. Use hand sanitizer. Cover your cough and sneeze into a tissue."

Public Communication

- Daily updates on bart.gov and social media
- BART.gov, App, Trip Planner clearly displays COVID-19 updates and service info
- Sharing daily ridership data on website and social
- Posted financial impacts fact sheet on bart.gov and sharing on social media
- 6 email blasts to-date, BARTable also sharing updates
- News media outreach including national transportation reporters



Website Updates



BART News

Special BART Board meeting to be held to 3/26 to discuss COVID-19

BART to temporarily reduce service hours based on ridership data

Trip planning help for riders impacted by cuts to our service hours

BART updates related to the coronavirus

Yellow line extra commute trains cancelled during low ridership

BART seeks emergency funds in response to COVID-19

Communicating Service Changes

- Signs in stations, platform digital signs, PA announcements, BART Service Advisory, website, app, social media, news media, email blast, elected-officials sharing with their constituents, outreach to community groups and stakeholders





BART Alternatives After 9:00 p.m. and Before 8:00 a.m. Saturday

- BART.gov homepage features how to get help planning alternative public transit trips
- Call center available to provide personalized trip planning
- BART's multi-modal trip planner shows cancelled trips and options



Engaging the Public

You Retweeted

Kim-Mai Cutler ✓
@kimmaicutler

Love the creativity and interactivity here in @SFBART proposing solutions and asking the public for feedback:

SFBART ✓ @SFBART · Mar 13

Staff was asked to get creative with solutions to help prevent spread of Coronavirus.

One idea was this prototype of a personal hand strap we would give out for free. Riders can take them home and clean it before use.

We want to know if this is worthwhile before we order more.

Show this thread



SFBART ✓
@SFBART

Q: What do you think of a personal BART hand strap which will be given out to riders for free to help prevent spread of Coronavirus?

Yes! I would use this.	**74.9%**
No! This is too hokey.	6.3%
Doubtful it will help	18.8%

4,082 votes · Final results

2:00 PM · Mar 13, 2020 · Twitter Web App

External Communication

- Transit Agencies
  - Operations regularly meeting and coordinating
  - Weekly conference calls with Safety Department of Bay Area Transit Agencies and other California rail transit agencies

- CPUC: Updated with information regarding ridership impact and service changes

COVID-19: Emergency Funding & Advocacy Update

Timeline of Key Events

March 4	Governor declares State of Emergency
March 6	First federal stimulus package enacted
March 12	BART Board President sends letter to federal and state delegation and MTC Commissioners requesting immediate financial assistance
March 13	White House Emergency Declaration
March 16	• Shelter-in-place order issued for six Bay Area counties • Legislature passes SB 89, providing up to $1B in state funding
March 17	• Governor signs SB 89 • BART creates and shares factsheet on financial impacts and funding opportunities
March 18	Second federal stimulus package enacted
March 19	• Governor issues statewide stay-at-home order • APTA sends letter to President & Congress requesting $16B in federal assistance
March 21	• BART GM and several Bay Area transit leaders send letter to Congressional delegation requesting federal assistance in third stimulus package • CA Transit Association sends letter to Governor and Legislative leaders requesting $1B in emergency state funding for transit
March 23	BART General Manager and transit leaders from the largest agencies across the nation send letter to Congress requesting $25B in federal assistance
March 26	Pending Enactment – Third federal stimulus package

Third Federal Stimulus Package

Pending passage in the Senate and House as of March 25

- Public Transit Funding Included
  - $25 billion to be distributed using FY20 shares of existing FTA formulas
  - Estimated that approximately $1.3 billion would be available for Bay Area transit operators
- Eligibility
  - Funding may be used by transit agencies for operating expenses related to COVID-19, including reimbursement for operating costs and lost revenue, the purchase of personal protective equipment and paying for administrative leave of operations personnel due to reductions in service
- Key Policy Provisions
  - Funding would be apportioned no later than 7 days after the passage of the funding package

BART's Federal Advocacy

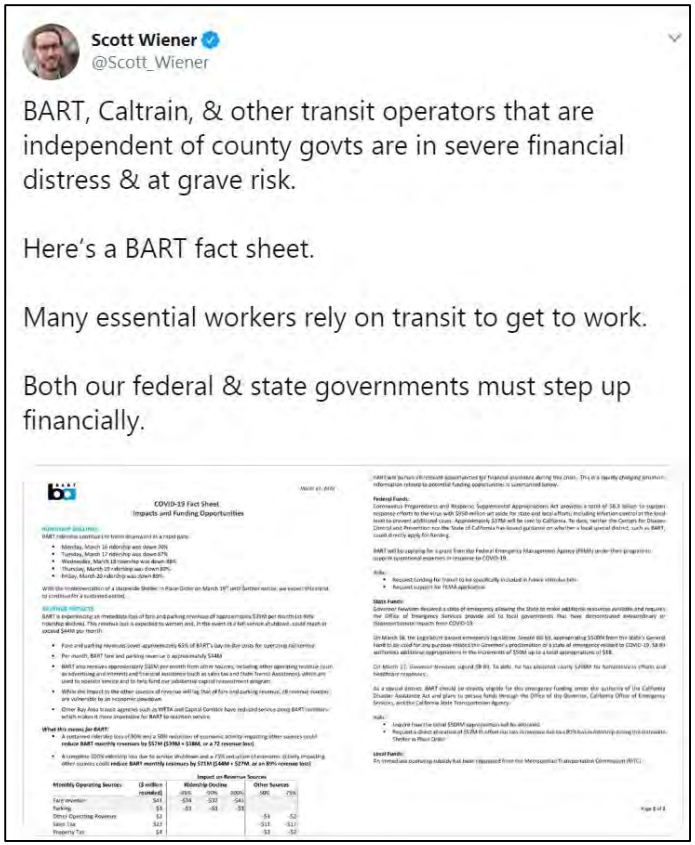
- Speaker Pelosi
- Senator Feinstein
- Senator Harris
- Bay Area Congressional Delegation Members
- House Appropriations Subcommittee on Transit, Housing, and Urban Development (THUD)
- House Committee on Transportation and Infrastructure
- Senate Appropriations Subcommittee on THUD
- Senate Banking Committee

Ongoing coordination efforts with:

- American Public Transportation Association
- California Transit Association
- Metropolitan Transportation Commission

BART's State Advocacy

- Office of the Governor
- California State Transportation Agency
- Senate President pro Tem
- Assembly Speaker
- Bay Area Legislative Delegation
- Senate Transportation Committee
- Assembly Transportation Committee
- Senate Budget and Fiscal Review Committee
- Assembly Budget Committee
- Department of Finance
- California Office of Emergency Services



Additional coordination efforts are ongoing with the California Transit Association, MTC, Bay Area transit partners, and BART Labor Unions

Future State Funding

- SB 89 states the Legislature's intent to work with the Administration and stakeholders to develop COVID-19 related strategies for inclusion in the Budget Act of 2020

- Appears likely that another round of emergency appropriations will be considered
  - Possibly as early as mid-April when the Legislature is currently scheduled to return to Sacramento
  - Almost certainly during the usual state budget process, generally conducted from mid-May through mid-June

- The California Transit Association is requesting $1 billion in emergency state funding for state transit agencies to offset an actual and anticipated four to six months of direct costs and revenue losses

Questions?